COURT NO.2

IN THE HIGH COURT OF UTTARANCHAL AT NAINITAL

Income Tax Appeal No. 16 of 2002

Sedco Forex International Drilling Inc.
as agent of its employee Mr. J.Marchandon
a company incorporated in the Republic of Panama
having its registered office at No.8 Acquitino de la
Guardia Street, City of Panama, Republic of Panama,
present Address C/o A.F. Ferguson & Co.
Maker Towers, Cuffe Parade, Mumbai

..... Appellant

Versus

1. The Commissioner of Income Tax, Meerut
having office at Income Tax Office, Opp. Bhasali Ground,
Meerut
2. The Assistant Commissioner of Income-Tax,
Special Circle, Dehradun having office
at Subhash Road, Dehradun-248001

..... Respondents

Ms. Tehmina Punwani, Senior Advocate for the appellant.
Mr. S.K. Posti, Advocate for the respondents.

Dated: December 09, 2005

Coram: Hon. P.C. Verma, J.
Hon. J.C.S. Rawat, J.

Both the parties are ready to argue the matter today.

2. This appeal has been preferred against the consolidated order dated 10.10.2001 for the assessment year 1991-92, passed by the Income Tax Appellate Tribunal, (Bench 'A' New Delhi).

3. The learned counsel for the parties agree that only the following questions of law arise in this appeal for the

determination. They do not press the rest of the questions framed in the appeal: -

> 1. *"Whether, the learned I.T.A.T. has erred in law in holding that the appellants have failed to satisfy the condition that 'the remuneration is not deductible in computing the profits of an enterprise chargeable to tax in that other State'?"*
>
> *2. "Whether, the learned I.T.A.T. has erred in law in holding that the appellants are not governed by the provisions of the Agreement for Avoidance of Double Taxation (AADT)?"*

4. The aforementioned questions were answered by the Division Bench of this Court {in which one of us (P.C. Verma,J.) was a member} in case of *"Sedco Forex International Inc. Vs. The Commissioner of Income Tax and another",* which was decided on 22.07.2005 in Income Tax Appeal No.165 of 2001 and other connected cases. In the said judgment, the questions framed in the said appeal were answered in favour of the Revenue.

5. Following the above-mentioned judgment of a Division Bench of this Court, we dismiss this appeal.

(J.C.S. Rawat, J.) **(P.C. Verma, J.)**

Rajeev Dang